

Party Financing
and
Proportional Representation:
A Submission to the Royal Commission on
Electoral Reform and Party Financing

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1 Introduction

The Democracy which shall make government the organ of public reason. . . is yet in the womb of the future. Goldwin Smith-1887

The essence of the democratic ideal is simply stated—that every citizen be accorded complete equality in the electoral process.

Canada’s present electoral system cannot be said to fully satisfy this criteria, for it violates the spirit of the democratic ideal in two important ways:

1. It is privately financed; and
2. It lacks proportional representation.

After several years of thought, I have come to the conclusion that two reforms are required more than any other to make our electoral system truly democratic:

1. Public financing of our political parties; and
2. A proportional representation system.

If a priority were to be assigned to these two reforms, I believe the first to be of the paramount concern.

In section 2, I detail a democratic, practical, and inexpensive mechanism for the implementation of public financing of our political parties, including figures.

In section 3, I present a simple and workable mechanism for implementation of a proportional representation system. I have written a software system to model this mechanism, and include a copy with an example in the appendices.

2 Party Financing

This evil is the bane of Democracy; it is the nightmare of every man in public life who is anxious to give service to the State. Clifford Sifton, in *New Era*, 1917, regarding campaign fundraising.

Gratefulness is always regarded as an important factor in dealing with democratic governments. John Aird, Jr., President of Beauharnois Corporation, H. of C., Debate, 1931, 4260.

NOTE: rest of section omitted, same as later paper for Policy Options.

3 Proportional Representation

Democracy may be simply defined as the people in action. Henry Wise Wood, Grain Grower's Guide, July 2, 1919, 7.

Almost every democratic country in the world has created their own implementation of the democratic ideal. Canadians have a hand-me-down system inherited from the British. While this system is one of the world's best, it is not a Canadian system—it does not spring from Canadian values and experience. It is time we considered some improving alterations.

The well-known and glaring flaw of the British Parliamentary System is its non-proportional character.

For example, in the most extreme case, party A could win 50% plus one of the ridings each with 50% plus one of the votes, while party B receives all remaining votes in all ridings. Party A would then form the government with 25% of the popular vote, while party B would be relegated to the opposition with 75% of the popular vote!

Although the above extreme case is unlikely to occur in practice, it is unquestionably possible with our present electoral system. Less extreme but no less unjust distortions occur in every election.

The Canadian electoral process cannot call itself truly democratic if it does not match the political complexion of the House of Commons to the will of the people as expressed by the popular vote. A system which *approximates* the will of the people—sometimes favoring one party, sometimes another—is a grave affront to our sense of natural justice, and should be made more exact.

The solution to this dilemma is a proportional representation system.

3.1 A Mechanism for Proportional Representation

There are two requirements that a proportional representation system must accommodate:

1. All candidates which actually win their riding must be seated; and
2. The political complexion of the House of Commons must reflect the will of the people as expressed by the popular vote.

I here propose one mechanism for implementation of a proportional representation system that meets the important demand of simplicity, and also accommodates the above requirements.

1. All candidates which actually win their ridings are seated;
2. No further candidates from the most over-represented party are seated; and
3. Second-place candidates from the under-represented parties are seated as necessary, *starting with the most closely contested ridings*, until the political complexion of Parliament matches the popular vote.

3.2 Ramifications of the Mechanism

I have implemented a software model of this mechanism and observed its performance. The advantages and ramifications of the mechanism are as follows:

1. Losing candidates from under-represented parties as well as winning candidates will be seated in the most closely contested ridings;
2. On average, the size of the House will increase by approximately twenty percent;
3. There may be more minority governments;
4. The citizenry will be provided with a powerful incentive to vote, even for a candidate they consider likely to lose, in order to support the party of their choice as a whole; and
5. Native Canadians can attain proportional representation in the House in a natural manner.

With regard to point 1, this may appear unjust to the winning candidate. Two responses are possible: (a) the larger principle of proportional representation takes precedence; (b) the seated losing candidate *has* been supported by a large number of the voters, since we begin seating with the most closely contested ridings. If these responses are insufficient, one may wish to strike a compromise, by ranking the winning candidate as ‘senior’ and the second-place candidate as ‘junior’, with appropriate demarcation of privileges. Another idea would be to specify that no second-place candidate may be seated who has lost by more than seven percent (say). Alternatively, an intriguing idea would be to send these second-place candidates to another place—perhaps the Senate.

With regard to point 3, such a development would be simply a reflection of the will of the people, and a beneficial development. Minority governments are among the most effective, progressive, and constructive of governments; Mr. Pearson's, Mr. Trudeau's, and Mr. Peterson's minority governments are excellent, convincing examples.

3.3 A Software Model

To demonstrate this mechanism, I have written a software system to model it. A copy of this software (written in the Fortran language) may be found in appendix B.

An example of the system in operation may be found in appendix A. This example consists of 100 ridings, in each of which three candidates are running, one each from the Left-Wing, Centre, and Right-Wing parties.

I recommend this system for your examination and use. You may wish to run it on real data, for example on the actual data for each of the last ten Federal Elections. It would be interesting to see the results. If called upon, I would be pleased to assist the commission in this regard.

A A Proportional Representation Example

The following example consists of 100 ridings, in each of which there are three parties running—the Left-Wing party, the Centre party, and the Right-Wing party.

The system runs in four phases:

1. The outright winners in each riding are determined;
2. The difference between the proportional vote and the number of candidates elected are calculated for each party. The number of additional members required from each under-represented party is calculated and a table of statistics is printed;
3. The appropriate number of members from each under-represented party are added, starting with the most closely contested ridings; and
4. An updated table of statistics is printed.

B The Proportional Representation Software

The following is a copy of the software system used to implement the proportional representation system which ran the example in appendix A.

It is about four hundred lines long, written in the Fortran computer language.